

5/025/012

MARCH CORPORATION FAX COVER SHEET

Date: 10-2-94To: D. WAYNE HEDBERG Fax: 801-359-3940Company: STATE OF UTAH / DIV. OIL, GAS & MININGFrom: Andrew D. Edwards Fax: 801-644-8878Company: March Corporation "Bald Knoll Mine Project"Number of Pages "Including Cover Sheet": 5

Subject: PLEASE NOTE (DEED & ASSIGNMENT) PAGES
1 THRU 3 OF NEVADA ELECTRIC INVESTMENT COMPANY.
PLEASE NOTE (ASSIGNMENT - WATER MONITORING
WELLS) GAYLAND COAL CO., INC.
MARCH CORP. NOW OWNS THAT PIECE OF
PIPE REFERED TO IN LEACH'S LAWYER LETTER
DATED SEPT. 14, 1994 PARA #3.

A. Edwards

March Corporation: Bald Knoll Mine Project Telephone: 801-644-8878
Fax: 801-644-8878

Home Office Telephone: 701-258-4909
Fax: 701-258-3941

DEED AND ASSIGNMENT

This Deed and Assignment (this "Deed"), made and entered into as of June 4, 1991, by and from NEVADA ELECTRIC INVESTMENT COMPANY, a Nevada corporation ("Grantor"), having an address and principal place of business at 2835 South Jones, Suite 5, Las Vegas, Nevada 89102, and GAYLAND COAL, INC., a Utah corporation ("Grantee"), whose address is Suite 1007 American Towers, 48 West 300 South, Salt Lake City, Utah 84101.

RECITALS

A. Grantor is the owner of the Alton Coal Project, consisting of fee coal lands, private coal leases, state coal leases, federal coal leases, water rights applications, and all other properties, assets and rights directly related or appurtenant to the said Alton Coal Project, located in Kane County, Utah, collectively referred to as the "Interests," as more particularly described at Exhibit "A" attached hereto and made a part hereof.

B. The Alton Coal Project is subject to a production royalty under the terms of the Assignment Agreement dated December 12, 1986, between NEICO and Utah International, Inc., the predecessor to BHP-Utah International, Inc. ("BHP-Utah"), as amended by a First Amendment to Assignment Agreement dated as of December 12, 1986, and a Second Amendment to Assignment Agreement dated as of June 1, 1988, in which BHP-Utah retains an overriding royalty in interests described in Exhibit "A" hereto. Said overriding royalty is not applicable to the interests described in Exhibit "B" hereto.

C. Grantor desires to convey to Grantee and Grantee desires to purchase all of Grantor's right, title and interest in and to the Interests as more particularly described herein and Grantee desires to assume the obligations, duties and liabilities of Grantor with respect to the Interests including but not limited to the overriding royalty of BHP-Utah.

NOW, THEREFORE, for and in consideration of the sum of TEN DOLLARS (\$10.00), cash in hand paid to Grantor and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Grantor hereby grants, sells, assigns, sets over, transfers, quitclaims and conveys to Grantee, its successors and assigns, without warranty, the following:

INTERESTS

All of Grantor's right, title and interest in the Alton Coal Project consisting of the following described interests:

(a) All of the real property and minerals, including coal, leased from the federal government by the Seller as described in Exhibit A.1, (the Federal Leasehold"), together with all of the improvements and fixtures thereon or appurtenant thereto, if any, together with all the property and rights incident thereto, including all rights in, to and under all other agreements, contracts, leases, permits, rights-of-way, easements, licenses, options and orders in any way relating thereto;

(b) All of the real property and minerals, including coal, leased from the State of Utah by the Seller as described in Exhibit A.2, (the "State Leasehold") together with all of the improvements and fixtures thereon or appurtenant thereto, if any, together with all the property and rights incident thereto, including all rights in, to and under all other agreements, contracts, leases, permits, rights-of-way, easements, licenses, options and orders in any way relating thereto;

(c) All of the BLM right-of-way, state and federal right-of-way applications and monitoring well sites as described in Exhibits A.6 and A.7 (the "Rights-of-Way");

(d) The water right applications, test and monitoring wells described in Exhibit A.8, (the "Water Rights");

(e) All of the real property and minerals, including coal, leased from the federal government by the Seller described in Exhibit B. (Exhibit B is not subject to BHP-Utah overriding royalty);

(f) All of the personal property, fixtures and improvements, if any, as of this date thereon, appurtenant thereto or used or obtained in connection with the Interests or with the production, treatment, sale or disposal of coal, if any, (the "Personal Property"); and

(g) All other properties, assets and rights of every kind and description whatsoever, real, personal, tangible or intangible of Seller now known or subsequently determined to be related to, associated with, or located upon the Interests described in paragraph (a) through (f) above and any other interests subsequently determined to be part of or appurtenant to the Alton Coal Project not specifically excluded herein.

EXCLUDED INTERESTS

The claims of BHP-Utah against the United States of America arising out of the Decision of December 16, 1980 designating a portion of the Federal Leasehold described at Exhibit A.1 hereto as unsuitable for surface coal mining are excluded from this conveyance.

ASSIGNMENT

(Water Monitoring Wells)

This Assignment is from Gayland Coal Co. Inc. a Utah Corporation, 48, West 300 South #1007, Salt Lake City, Utah 84101 ("Assignor"), to March Corporation, a North Dakota Corporation, PO Box 7186, Bismarck, North Dakota 58507, ("Assignee").

For Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Assignor, Assignor hereby transfers and assigns to Assignee all of Assignor's right, title, and interest in and to the ground water monitoring wells described on Exhibits A-F attached hereto and made a part hereof situated in Kane County, Utah (the "Water Wells") together with all casing, equipment, and other personal property in and attached to the Water Wells and all easements, permits, access rights and other rights related to the Water Wells.

All of the provisions of this Assignment shall be available to and binding upon the respective successors and assigns of Assignor and Assignee.

This Assignment is effective as of September 29, 1994.

Gayland Coal Co. Inc.

By Windfield Moon Sr.
Windfield Moon Sr.
President CEO

STATE OF UTAH)
CITY AND : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 29th day of Sept, 1994, by Windfield Moon Sr. of Gayland Coal Co. Inc. a Utah corporation.



Alice G. Baylor
NOTARY PUBLIC, residing at
Salt Lake City, UT

My commission expires:

11-10-96